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Message Text

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ORIGIN DOE-15

INFO OCT-01 EUR-12 ISO-00 OES-07 SOE-02 L-03 IO-13
NRC-05 ACDA-12 CIAE-00 INR-10 NSAE-00 NSC-05
EB-08 DODE-00 SS-15 SP-02 CEQ-01 PM-05 /116 R

DRAFTED BY DOE:EMCFADDEN/ACDA:DRUST:JW
APPROVED BY OES/NET:LVNOSENZO
EUR/EE:SFROMOWITZ
L/N:RSLOAN (SUBSTANCE)
IO/SCT:AJILLSON (SUBSTANCE)
NRC:MPETERSON (SUBSTANCE)
DOE:RSLAWSON (SUBSTANCE)
----------099005 161440Z /43
P R 161423Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY VIENNA PRIORITY
INFO AMEMBASSY BELGRADE

C O N F I D E N T I A L STATE 153381

USIAEA

E.O. 11652: GDS

TAGS: TECH, PARM, YO

SUBJECT: YUGOSLAV REQUEST FOR NUCLEAR FUEL THROUGH IAEA

REFS: (A) VIENNA 3087; (B) VIENNA 3418

1. MISSION MAY ADVISE IAEA THAT US IS PREPARED IN PRINCI-
PLE TO AUTHORIZE TRANSFER DISCUSSED REFTELS. CONDITIONS
APPLICABLE WOULD BE THOSE APPLICABLE TO TRANSFER OF US-
ORIGIN MATERIAL CONCERNING WHICH AGREEMENTS HAVE RECENTLY
BEEN APPROVED BY IAEA BOARD OR ARE UNDER NEGOTIATION. AN
INITIAL DRAFT OF THE SUPPLY AGREEMENT WILL BE PREPARED AND
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TRANSMITTED IN THE NEAR FUTURE.

2. THERE IS NO REPEAT NO NEED IN THIS CASE TO SUBMIT OPERA-
TIONAL OR PROGRAM INFORMATION PERMITTING DETAILED ASSESS-
MENT OF TECHNICAL/ECONOMIC JUSTIFICATION FOR HEU, BECAUSE
APPLICATION WAS SUBMITTED PRIOR TO THE TIME THE US INITIAT-
ED THE REQUIREMENT FOR SUCH DETAILED INFORMATION; AND

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TRANSFER INVOLVES LESS THAN ONE KILOGRAM U-235.

3. HOWEVER, MISSION SHOULD STATE THAT ANY INFORMATION YUGOSLAVIA MAY WISH TO PROVIDE ON ITS REACTOR PROGRAM AND/ OR OTHER FACTORS THAT MAKE HEU APPEAR ESSENTIAL AT THIS TIME WOULD BE WELCOME AND WOULD, WE BELIEVE, FACILITATE

PROCESSING OF EXPORT LICENSE APPLICATION.

4. MISSION SHOULD ALSO STRESS US POLICY OF ENCOURAGING USE OF LOW ENRICHED URANIUM (LESS THAN 20 U-235) OR ENRICHMENTS CONSIDERABLY BELOW 70-90 . GENERAL ATOMIC IS MAKING CONSIDERABLE PROGRESS IN DEVELOPING A NEW FUEL OF LOWER ENRICHMENT THAT WILL ALLOW TRIGAS SUCH AS THAT AT LJUBLJANA TO FULFILL SAME FUNCTIONS AS 70 FUEL CURRENTLY USED. SINCE THIS FUEL IS NOT YET READY AND THE FUEL FOR YUGOSLAV'S HAS ALREADY BEEN FABRICATED, THE US IS PREPARED TO SUPPLY 70 AT PRESENT. HOWEVER, US WOULD HOPE THAT FUTURE NEEDS FOR THIS REACTOR COULD BE MET BY A FUEL OF LOWER ENRICHMENT. FYI: THIS MAY BE NECESSARY IN ANY EVENT BECAUSE GENERAL ATOMICS HAS ANNOUNCED IT INTENDS TO GET TOTALLY OUT OF THE BUSINESS OF FABRICATING 70 FUEL. END FYI.

5. FYI: WHILE WE HAVE NO OBJECTION TO PROCEEDING WITH THIS CASE, WE ARE SOMEWHAT WARY OF ITS POTENTIAL FOR DIS-
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RUPTING KRSKO FUEL NEGOTIATIONS. THE LATTER MAY BE CLOSE TO RESOLUTION AND IT WOULD NOT BE IN US INTEREST TO INJECT ANOTHER NUCLEAR SUPPLY ISSUE INTO THE YUGOSLAV BUREAUCRACY AT THIS TIME -- PARTICULARLY ONE THAT INCOR-PORATES ALL NEW US REQUIREMENTS. OF COURSE, WE ALSO DO NOT WANT TO GIVE ANY APPEARANCE OF USING THIS CASE AS A PRESSURE POINT ON GOY IN RELATION TO KRSKO. FOR THIS REASON, WE WOULD PREFER TO KEEP TIMING RE NEXT STEP IN OUR HANDS AND ACCORDINGLY HAVE ACCEPTED THE RESPONSIBILITY OF PREPARING THE SUPPLY AGREEMENT. END FYI. NEWSOM

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Draft Date: 16 jun 1978
Decaption Date: 01 jan 1960
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Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
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Disposition Date: 20 Mar 2014
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Litigation Codes:
Litigation History:
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vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/1e2fc486-c288-dd11-92da-001cc4696bcc
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